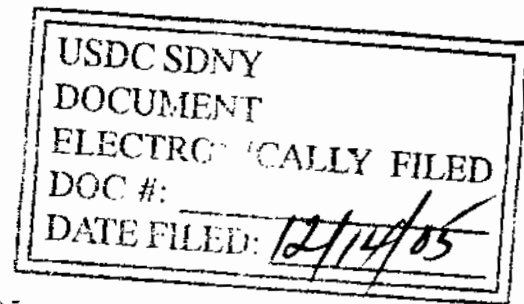


# RIVKINRADLER

ATTORNEYS AT LAW

MICHAEL P. VERSICHELLI  
PARTNER  
(516) 357-3431  
michael.versichelli@rivkin.com



December 5, 2005

## VIA FACSIMILE

Honorable Loretta A. Preska  
United States District Court  
Southern District of New York  
500 Pearl Street  
New York, NY 10007

Re: Lionel L.L.C., et al. v. K-Line Electric Trains, Inc.  
No. 05-VC-7461 (LAP)  
RR File No. 009207-00002

Dear Judge Preska:

We represent defendant, Robert Grubba, in an adversary proceeding in the United States Bankruptcy Court before Judge Burton R. Lifland. Chapter 11 Case No. 04-17324 (BRL), Adversary Proceeding No. 05-02337 (BRL).

We are writing to advise the Court that the parties have reached a settlement in the adversary proceeding that has been approved by the Bankruptcy Court. Accordingly, there is no need for this Court to decide defendant's pending motion to withdraw the reference to the Bankruptcy Court.

(docket no. 1)

We hereby withdraw the motion, on behalf of Mr. Gubba, without prejudice.

Thank you for your time and please do not hesitate to contact me or Celeste Butera (516-357-3356) with any questions concerning this matter.

Respectfully submitted,

RIVKIN RADLER LLP

Michael P. Versichelli

The Clerk of the Court shall mark this action closed and all pending motions denied as moot.

SO ORDERED:

LORETTA A. PRESKA, U.S.D.J.

cc: O'Melveny & Myers LLP  
Attention: Abbey Walsh, Esq.  
Poyner & Spruill LLP  
Nicholls & Crampton, PA

1904292 v1

926 EAB Plaza  
Uniondale, NY  
11556-0928  
Tel: 516.357.3000  
Fax: 516.357.3333

555 Madison Avenue  
New York, NY  
10022-3338  
Tel: 212.465.9555  
Fax: 212.687.9044

47 Maple Street  
The Atrium Third Floor  
Summit, NJ 07901-2505  
Tel: 908.608.2200  
Fax: 908.608.0509